

**Supplemental Reporting Document
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February 2008 Investment Committee Meeting
(December 2007 Reporting Period)**

Activity Reports

- Alternative Investment Management Program
- Risk Managed Absolute Return Strategies Program
- Real Estate Opportunistic Program



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February 19, 2008

SUPPLEMENTAL ITEM

TO: MEMBERS OF THE INVESTMENT COMMITTEE

I. SUBJECT: Activity Reports

II. PROGRAMS: Alternative Investment Management (AIM)
Risk Managed Absolute Return Strategies (RMARS)
Real Estate Opportunistic (REO)

III. RECOMMENDATION: Information only

IV. ANALYSIS:

Staff from AIM, RMARS, and REO are required to report the status of investment proposals received by their respective program on a monthly basis. Staff from these areas have prepared an activity report for the month of December 2007.

V. STRATEGIC PLAN:

Goal VIII: Manage the risk and volatility of assets and liabilities to ensure sufficient funds are available, first, to pay benefits and second, to minimize and stabilize contributions.

Members of the Investment Committee
February 19, 2008
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VI. RESULTS:

Attached are results containing the status of investment proposals received by AIM, RMARS, and REO.

Matthew Flynn
Division Chief

Anne Stausboll
Chief Operating Investment Officer

Russell Read
Chief Investment Officer



***** OPEN SESSION MATERIAL *****
AIM PROGRAM
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS
REPORT PERIOD: 12/1/2007 TO 12/31/2007

ACTIVITY SUMMARIZED	ACTIVITY FOR REPORT PERIOD	2004	2005	2006	2007 YTD	Since Program Inception
<u>INVESTMENT ACTIVITY</u>						
Investment Proposals Entered	30	381	316	301	449	6531
Declined/Referred/Failed to Materialize	33	223	429	268	390	5251
Deals in Screening	42	397	319	301	449	3545
Due Diligence Reviews	23	65	59	61	76	662

Notes:

- Current YTD information is through the end of the report period.
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening or Due Diligence during that time period.

CaIPERS RISK MANAGED ABSOLUTE RETURN (RMARS) PROGRAM

December 2007

MANAGER ACTIVITY	2001	2002	2003	2004	2005	2006	2007	Since Program Inception
Information Received	88	170	181	59	59	69	90	716
Declined	34	81	108	12	7	1	0	243
Screening	48	80	72	45	58	68	90	461
Allocations Approved by RMARS Board	0	25	8	6	18	52	66	175
New ARS Funds approved by the RMARS Board	0	12	1	4	7	9	8	41
MANAGER AMOUNTS (\$ in millions)								
Funded	\$0	\$485	\$95	\$149	\$783	\$1,809	\$2,499	\$5,819

Real Estate Investment Office
Opportunistic/International Fund Program
February 2008
(December 2007 Activity)

Fund Name	Date Closed	Product Type	Sector	Allocation Committed	Net Expected Return
JER US Debt	12/11/07	Structured Debt	Opportunistic	200,000,000	13%-15%
IL & FS Fund II	12/12/07	Diversified	International	200,000,000	20.00%
Canyon Johnson Urban Fund III	12/16/07	Diversified	Opportunistic	225,000,000	16%-18%
TOTAL				\$625,000,000	